expenses incurred, such excess shall be accounted for as follows:

(1) Except as provided in paragraph (a)(2) of this section, each person entitled to a proportionate refund of the excess assessment shall be credited with such refund against the operation of the following fiscal year unless such person demands repayment thereof, in which event it shall be paid to him: *Provided*, That any sum paid by a person in excess of his pro rata share of the expenses during any fiscal year may be applied by the committee at the end of such fiscal year to any outstanding obligations due the committee from such person.

(2) The Secretary, upon recommendation of the committee, may determine that it is appropriate for the maintenance and functioning of the committee that the funds remaining at the end of a fiscal year which are in excess of the expenses necessary for committee operations during such year may be carried over into following years as a reserve. Such reserve may be established at an amount not to exceed approximately 3 fiscal years' operational expenses. Funds in the reserve may be used to cover the necessary expenses of liquidation, in the event of termination of this part, and to cover the expenses incurred for the maintenance and functioning of the committee during any fiscal year when there is crop failure, or during any period of suspension of any or all of the provisions of this part. Such reserve may also be used by the committee to finance its operations during any fiscal year prior to the time that assessment income is sufficient to cover such expenses and to cover deficits incurred during any fiscal year when income is less than expenses. Upon termination of this part, any funds not required to defray the necessary expenses of liquidation shall be disposed of in such manner as the Secretary may determine to be appropriate: Provided, That to the extent practical, such funds shall be returned pro rata to the persons from whom such funds were col-

(b) All funds received by the committee pursuant to the provisions of this part shall be used solely for the purposes specified in this part, and

shall be accounted for in the manner provided in this part. The Secretary may, at any time, require the committee and its members to account for all receipts and disbursements.

[19 FR 3439, June 11, 1954, as amended at 22 FR 3513, May 21, 1957. Redesignated at 26 FR 12751, Dec. 30, 1961, and amended at 35 FR 16628, Oct. 27, 1970; 43 FR 39323, Sept. 5, 1978]

RESEARCH AND DEVELOPMENT

## § 915.45 Production research, marketing research and development.

The committee may, with the approval of the Secretary, establish or provide for the establishment of production research, marketing research and development projects designed to assist, improve, or promote the marketing, distribution, and consumption or efficient production of avocados. Such projects may provide for any form of marketing promotion, including paid advertising. The expenses of such projects shall be paid from funds collected pursuant to the applicable provisions of §915.41.

[40 FR 52605, Nov. 11, 1975]

## § 915.49 Marketing policy.

Each season prior to making any recommendations pursuant to §915.50, the committee shall submit to the Secretary a report setting forth its marketing policy for the ensuing season. Such marketing policy report shall contain information relative to (a) the estimated total production of avocados within the production area; (b) the expected general quality and maturity of avocados in the production area and in competing areas; (c) the expected demand conditions for avocados in different market outlets; (d) the expected shipments of avocados produced in the production area and competing areas; (e) supplies of competing commodities; (f) trend and level of consumer income; (g) other factors having a bearing on the marketing of avocados; and (h) the type of regulations expected to be recommended during the season. In the event it becomes advisable, because of changes in the supply and demand situation for avocados, to modify substantially such marketing policy, the committee shall submit to the Secretary a revised marketing policy report setting